

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



April 3, 1997

ALL COUNTY INFORMATION NOTICE I-21-97

TO: ALL COUNTY WELFARE DIRECTORS

REASON FOR TRANSMITTAL

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order or Settlement Agreement
- ☒ Clarification Requested by One or More Counties
- ☐ Initiated by CDSS

SUBJECT: WELFARE REFORM INTERIM PERIOD FUNDING/CLAIMING QUESTIONS AND ANSWERS

REFERENCE: PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996

The intent of this letter is to respond to counties' questions primarily regarding funding and claiming of costs during the interim period of the State's implementation of the new welfare reform legislation, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996. For the purposes of this information, the "interim period" is defined as the time between November 26, 1996, the date the Temporary Assistance for Needy Families (TANF) State Plan was certified complete and July 1, 1997.

Attached are the questions that we have received or developed up to this point, utilizing a Questions and Answer (Q&A) format. The questions are classified by California Department of Social Services (CDSS) organizational responsibility (i.e., Fiscal, AFDC, Food Stamps, etc.), some may be duplicated under more than one organization. Some questions raised by the counties' require additional research and are not included in this letter. We will continue to coordinate responses to all questions and will provide them to you as they are developed.

If you have any questions regarding this Q&A or if you have any additional TANF related questions, please contact the following CDSS County Welfare Director's Association (CWDA) committee representative for the particular area of concern:

Fiscal , Nola Niegel	(916) 654-0996
Food Stamps , Fred Schack	(916) 654-1896
AFDC , Patrick Sutherland	(916) 654-2137
IHSS , Sherland Jordan	(916) 229-4586
Review and Evaluation , Gary Swanson	(916) 445-0220
Employment Programs , Charr Lee Metsker	(916) 657-3442


JARVIO A. GREVIOUS
Deputy Director
Administration Division

Attachment

**Attachment
ACIN No.**

Fiscal

1. Q. When do Temporary Assistance for Needy Families (TANF) guidelines for funding and claiming take effect for California?

A. TANF guidelines begin to apply on the date of implementation, which for California was specified as November 26, 1996 (the date the TANF State plan was certified complete).
2. Q. Will the current administrative and assistance claiming processes remain the same during the interim period?

A. Until further notice, the current administrative and assistance claiming processes will remain the same.
3. Q. Will the implementation of H.R. 3734 have an impact on the current County Welfare Department (CWD) Cost Allocation Plan (CAP)?

A. Yes, as an initial step, language changes have recently been made to the current CWD CAP to address the implementation of TANF. There are no changes to the CAP methodology of distributing costs at this time. As welfare redesign programs are developed/implemented, further changes may be necessary.
4. Q. What impact does TANF implementation have on current FY allocations?

A. Generally, FY 1996/97 allocations will not be impacted by TANF implementation, with the exception of the \$60 million augmentation for the GAIN program. Additionally, some specific allocations will be affected by the Child Care and Development Block Grant (CCDBG) (i.e., AB 2184 and Health and Safety).
5. Q. What happens to realignment in the short/long run?

A. Realignment growth calculations are currently determined one year in arrears. In March 1997, we will be calculating the growth between FY 1994/95 and 1995/96 utilizing the current methodology.

The impact on realignment in the long run is unknown at this time.
6. Q. Has the TANF time limit clock started running with the submittal of the State plan to the feds or not?

A. With the certification of completeness of the State plan (November 26, 1996), the time limit clock began running against California; however, it is not yet running against the recipient.

The recipients/clients will not be subject to the federal TANF time limitations until State law has been changed and regulations implemented. Federal funding will be available for all assistance payments made by the State to each eligible client for a total of five years, beginning on November 26, 1996. If after five years the non-exempt client is still receiving assistance, the payment will be funded with non-federal dollars.

7. Q. What is contemplated for the current Quality Control (QC) System?

A. Food Stamp QC review requirements remain unchanged from prior years. AFDC/TANF QC remains unchanged through June 1997. For State Fiscal Year (SFY) 1997-98, the county performance sample will continue to be completed for multiple purposes, including: welfare reform reporting, outcome measurement, quality control, SAWS evaluation, and special projects.

Funding and staffing for the activities described above have been discussed with the County Cost Analysis Bureau and the plan is to continue them through FY 1997-98. Program activities and funding/staffing for FY 1998-99 and beyond will be evaluated as part of welfare redesign.

8. Q. What is the status of the allocations for the Food Stamp Employment Training (FSET) program? What is happening with this program?

A. The FSET county plan requests were submitted to counties, due back to Employment Operations in January 1997; however, some counties have not yet submitted their plans. Upon receipt of the FSET plans, CDSS will forward for federal review and approval. In the interim, counties will be issued a preliminary FSET allocation (April 1997). Once federal approval has been received, adjustments will be made to the preliminary allocations, based on county needs, and the final allocations will be developed. Those counties who have not submitted their FSET plan by March 15, 1997, will be issued the same allocation for FFY 1997 that they received in FFY 1996. Counties should be operating their FSET program as usual. The FSET allocation is a source for serving Able Bodied Adults Without Dependents (ABAWDS).

9. Q. Will federal reporting requirements change during the interim period? If so, how will the change impact the county claiming process?

A. No, federal reporting requirements will not change during the interim period. Additionally, the county claiming processes have been unaffected at this time.

**Attachment
Page Three**

10. Q. When do the data reporting requirements start for TANF and CCDBG since the State has submitted a plan?
- A. California is required to begin data collection effective July 1, 1997. The first Federal reports are due October 30, 1997. States can submit reports as late as December 31, 1997 and still not incur penalties.
11. Q. Will the county advance process change during the interim period?
- A. No, the county advance process will not change during the interim period.
12. Q. Since the State plan seems to say that California is going to run things as they are or were, does this mean we're running an EA program in CWS?
- A. Yes, California currently continues to run an EA program in CWS. However, the future continuation of this program will be addressed in welfare redesign.
13. Q. When can counties stop issuing child support disregard checks?
- A. It is not known at this time whether the disregard will be eliminated in California. Until further notice, counties should continue issuing the \$50 child support checks. All County Information Notice (ACIN) No. I-11-97, dated February 25, 1997, explains that under the current State plan, the \$50 disregard must continue to be paid to aided families in accordance with current regulations.

Food Stamps

14. Q. Considering the ABAWDS rules for the Food Stamp Program, how can the State meet the technical requirement for a statewide tracking system for the client work requirement?
- A. CDSS is working with the Department of Health Services (DHS) to utilize an expanded Medi-Cal Eligibility Determination System (MEDS) to capture the required data to track ABAWDS individuals. The system will require county input after case actions have taken place. Once an individual is determined to be an ABAWD, he/she must be tracked for a full 36 months with all exemptions, qualifying work, or training input on the system for that period. The system should be operational by June 1997. In the meantime, counties will be required to manually track the data for future input. A workgroup made up of county and State program, and MEDS staff have been working on this effort. Also, Welfare Case Date System (WCDS) consortia representatives have been discussing an automated interface for data input from WCDS to MEDS.

**Attachment
Page Four**

15. Q. How will the counties meet the requirements of securing verification of the 515 40 quarters of work when Social Security Administration (SSA) makes this system available to the states?
- A. The SSA has provided instructions to the United States Department of Agriculture (USDA), which have been forwarded to CDSS , indicating that all new applicants are to be certified eligible pending proof of qualifying wages if information is not otherwise available at time of application. Those individuals who can prove their qualifying earnings will be determined eligible without question. The burden of proof of earnings will rest with the applicant and he/she will be required to work with SSA in updating their files. Instructions have been provided to the counties via All County Letter (ACL) No. 95-68, dated December 11, 1996. In addition, the SSA is working on a direct access system which is being piloted in two states. This system will provide direct access to SSA wage files and should speed up the determination process for non-citizen applicants who have the required earnings. The direct access system will be available via the Income Eligibility and Verification System (IEVS).

AFDC

16. Q. Given the TANF restrictions on payments to aliens who enter on or after August 22, 1996, what process must counties implement to assure that these aliens are identified and tracked?
- A. Counties are to continue to flag new AFDC and IHSS applications which include legal aliens as instructed in ACL No. 96-52.
17. Q. Do any other alien groups, besides those who enter on or after August 22, 1996, need to be identified and tracked given potential future law changes?
- A. All categories of aliens including impacted alien groups should be tracked, to the extent possible, by the counties. This would include current alien groups such as sponsored aliens, Permanently Residing in U.S. Under Color of Law (PRUCOL) aliens, and amnesty aliens.
18. Q. What fiscal process (if any) must counties implement to track the AFDC and TANF overpayment funding sources?
- A. Counties should continue to use current processes for claiming and tracking these overpayments.

**Attachment
Page Five**

19. Q. What instructions (if any) should be given to counties regarding the continuation of the \$50 child support disregard?
- A. Counties should continue paying the \$50 child support disregard until further notice. ACIN No. I-11-97, dated February 25, 1997, explains that under the current State plan, the \$50 disregard must continue to be paid to aided families in accordance with current regulations.

In-Home Supportive Services (IHSS)

20. Q. Will the current year's allocation (service delivery and administration) be reduced for the Personal Care Services Program (PCSP) and/or IHSS due to changes in caseload as a result of welfare reform provisions?
- The current year IHSS administrative allocation will not be reduced; reductions in allocations are not anticipated until fiscal year 1997/98.
21. Q. If the current caseload or usage is reduced because of the impact of welfare reform, will the county be required to reduce the contract maximum hours for the next bid process?
- A. Not necessarily, but counties would be expected to make contract decisions based on their allocations.
22. Q. Who will be required to perform citizenship and exemption verifications, the State or county?
- A. The county will be required to perform citizenship and exemption verifications.
23. Q. How will citizenship and other exemption data be collected?
- A. We have already identified a field in the Case Management Information and Payrolling System (CMIPS) for collection of citizenship and exemption data.
24. Q. Who will collect the data, the State or counties?
- A. The counties will collect the data.
25. Q. Will there be changes in regulations for interim provisions?
- A. Interim regulation changes are not anticipated.

Review and Evaluation

26. Q. What are the fiscal impacts to Quality Control and Fraud?

A. Food Stamp Quality Control (QC) review requirements remain unchanged from prior years. AFDC/TANF QC remains unchanged through June 1997. For SFY 1997-98, the county performance sample will continue to be completed for multiple purposes, including: welfare reform reporting, outcome measurement, quality control, SAWS evaluation, and special projects.

The County Cost Analysis Bureau will continue to allocate funds for the staffing and activities described above through FY 1997-98. Program activities and funding/staffing for FY 1998-99 and beyond will be evaluated as part of welfare redesign.

There is no apparent fiscal impact to the State and local fraud programs for FY 1996-97. All existing anti-fraud efforts will continue in the interim of welfare redesign and implementation in FY 1997-98

27. Q. Do you anticipate a need in equipment to complete the workload?

A. No additional equipment is anticipated for QC.

With the exception of some counties purchasing equipment to install the Ventura Automated Collections Systems (VACS), there are no anticipated equipment needs for the State or counties fraud programs beyond what is budgeted for FY 1996-97.